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Rhonda Wharton, Clerk
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IN THE CIRCUIT COURT OF FAULKNER COUNTY, ARKANSAS
First Division

JASON HAYS AND MELISSA HAYS, husband and wife,
LYNETTE BROWN, on behalf of herself individually, and in her capacity,
as grandparent and next friend of GABRIELLE WALKER, a minor,
KATHY OUELLETTE, JEREMY COMBS, KEITH PRICE,
CHRISTIAN ALEXANDER, ELLEN BURGESS,
CRAIG AND TERESA BULLARD, husband and wife, and as
parents, guardians and next friends of TATE BULLARD, a minor
DENNIS DIESING AND WILMA DIESING, husband and wife,
LEWIS ELSASSER, BARBARA HALES,
SHERMAN EARNEST, SHARON EARNEST, husband and wife,
Individually, and as parents, guardians and next friends of SIERRA AND SHERNAE
EARNEST.
EDWIN KELLEY AND EVELYN KELLEY, husband and wife,
DONALD HARVEY, KIRBY HIGGS, STACY LACKEY, SAM MORRIS,
ROBERT MATTOX AND LOLA MATTOX, husband and wife,
KATHRYN CHUNN, KIMLA GREENE, on behalf of herself individually, and in her capacity,
as parent, guardian and next friend of MADISON HARRIS, a minor, KOBE SIMS, a minor,
ROGER MAYNARD AND FERESHTEH MAYNARD, husband and wife,
DWAYNE McDOUGAL, JASON McDOUGAL, KELLY PAGE
PANSY NEWELL, ONDRA PHILLIPS.
MARGARET ROBERTS, individually, and as Special Administratrix
for HOWARD SENTENEY, DAROLYN PERKINS, JASON THOMPSON, TIA DAVIS,
TIM STANDISH AND RONNY STANDISH,
WILLIAM WASHAM AND PAT WASHAM, husband and wife
CAMERON AND KELLY THOMPSON, husband and wife,
SHIRLEY TYUS, on behalf of herself individually, and in her capacity, as grandparent, guardian
and next friend of LAKEEN HOWARD, a minor, ANDREEA MURRAY, a minor,
JERRY AND CONNIE WEST, husband and wife, JERRY WEST, JR.
VAN WHITE AND TARA WHITE, husband and wife,
on behalf of themselves individually, and in their capacity, as parents, guardians and next friends
of BLAYKLEIGH SMUGGS, a minor, and VICTORIA WHITE, a minor,
RALPH VAN CLEVE, JUNE VANE CLEAVE,
RYAN A. AND TAMI L. HARGRAVES, by and through RANDY RICE, CHAPTER 7
BANKRUPTCY TRUSTEE, United States Bankruptcy Court, Eastern District of Arkansas,
Little Rock Division, in their capacity as joint debtors, and in their individual capacity, and
PATRICIA CLAPPER, individually, and as parent, guardian and next friend
of HUNTER CLAPPER, JOSE GONZALEZ,
HORACE WALTERS and JULIA BURCHFIELD, husband and wife
MARLENE DAVIDSON, MARSHA COCHRAN

Plaintiffs

v.

Civil Case No. 23 CV-2014-877

EXXON MOBIL CORPORATION
d/b/a EXXONMOBIL®
EXXONMOBIL PIPELINE COMPANY
EXXONMOBIL PIPELINE COMPANY, L.P.
MOBIL PIPE LINE COMPANY
DAVID RAULSTON, employee of ExxonMobil Pipeline Company

Jury Trial Demanded

Defendants.

THIRD AMENDED COMPLAINT

Come now the Plaintiffs, on behalf of themselves and others similarly situated, and for their Third Amended Complaint state as follows:

I. BACKGROUND & CASE OVERVIEW

1. This lawsuit involves a joinder of citizens affected by the Pegasus Pipeline rupture and massive environmental contamination on March 29, 2013, which directly affected and impacted the lives of citizens living in Mayflower and Faulkner County, Arkansas.
2. This Arkansas mass tort, mass joinder lawsuit involves the worst crude oil and tar sands spill in Arkansas history and directly impacts all individuals who reside by the ExxonMobil Pegasus Pipeline (referred to as "Pegasus Pipeline" or "Pipeline"), including their personal health, welfare and property.
3. The Pipeline transports Wabasca heavy crude (Western Canada) from Patoka, Illinois, through the states of Arkansas, Missouri and through Texas. The Pipeline supplies crude oil from Canada to the Gulf Coast. The Exxon Pegasus pipeline was built in the 1940s and originally ran from Patoka, Illinois through Corsicana, Texas.
4. The Pipeline runs under the surface of physical property throughout the State of Arkansas, near major watersheds, water resources and under the Arkansas River. It runs under

and through the Maumelle watershed, which supplies water to over 400,000 citizens in Central Arkansas.

5. On March 29, 2013, the Pegasus Pipeline in Mayflower, Arkansas, was in an unsafe, defective and deficient condition presenting an immediate environmental harm to those in the Mayflower community and around the unsafe Pipeline. The Pipeline fractured and ruptured causing personal injuries, property, special, consequential and other damages.

6. Plaintiffs bring this lawsuit to recover all damages available under Arkansas law for their personal and property injuries sustained as a direct and proximate result of being located and exposed to the toxins and Canadian tar sands emitted from the ruptured pipeline.

II. PARTIES

7. Plaintiff's Jason and Melissa Hays reside at 36 Ledrick Circle, Faulkner County, Arkansas. Plaintiffs Jason and Melissa Hays have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

8. Plaintiff Lynette Brown and her minor grandchild, Gabrielle Walker, reside at 64 Adams Lake Loop, Conway, Faulkner County, Arkansas. Plaintiffs Brown and Walker have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

9. Plaintiff Kathy Ouellette currently resides in Dumas, Desha County, Arkansas. At all relevant times, Plaintiff Ouellette owned real property bordering Lake Conway, Pulaski County, Arkansas, located at 28 North Dogwood Drive Mayflower, Faulkner County, Arkansas. Plaintiff Ouellette has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

10. Plaintiff Jeremy Combs resides at 8 Shade Tree Lane, Mayflower, Faulkner County, Arkansas. Plaintiff Combs has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

11. Plaintiff Keith Price currently resides in Dumas, Desha County, Arkansas. At all relevant times, Plaintiff Price resided at real property bordering Lake Conway, Pulaski County, Arkansas, located at 28 North Dogwood Drive Mayflower, Faulkner County, Arkansas. Plaintiff Price has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

12. Plaintiff Christian Alexander resides at 26 Ledrick Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Alexander has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

13. Plaintiff Ellen Burgess resides in Pulaski County, Arkansas and owns real property bordering Lake Conway, Pulaski County, Arkansas, located at 26 Dam Road, Faulkner County, Arkansas. Plaintiff Burgess has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

14. Plaintiffs Craig Bullard and Teresa Bullard resided at 6 Chardonnay Cove, Mayflower, Faulkner County, Arkansas with their son Tate Bullard. Plaintiffs Craig and Teresa Bullard and their minor child Tate directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

15. Plaintiffs Dennis Dicsing and Wilma Dicsing are husband and wife and reside at 44 Meadowlark Loop, Mayflower, Faulkner County, Arkansas. Plaintiffs Dennis and Wilma Dicsing have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

16. Plaintiff Lewis Elsasser resides at 13 Breva Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Elsasser has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

17. Plaintiff Barbara Hales resides at 15405 Garot, Maumelle, Pulaski County, Arkansas. Plaintiff Hales owns property located at 6 Garrett Lane, Mayflower, Faulkner County, Arkansas. Plaintiff Hales has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

18. Plaintiffs Sherman and Sharon Earnest and their minor children Sierra and Shernae reside at 546 Sturgis Road, Lot A, Conway, Faulkner County, Arkansas. Plaintiffs Sherman and Sharon Earnest and their children have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

19. Plaintiffs Edwin Kelley and Evelyn Kelley reside at 67 Snuggs Circle, Mayflower, Faulkner County, Arkansas. Plaintiffs Edwin and Evelyn Kelley have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

20. Plaintiff Donald Harvey resides at 53 East Ridge Road, Mayflower, Faulkner County, Arkansas. Plaintiff Harvey has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

21. Plaintiff Kirby Higgs resides at 13 Breva Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Higgs has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

22. Plaintiff Stacy Lackey resides at 128D Highway 89 South, Mayflower, Faulkner County, Arkansas. Plaintiff Lackey has directly experienced damages as a result of the Exxon Pegasus Pipeline failure and seeks all damages permitted by Arkansas law.

23. Plaintiff Sam Morris resides at 27 East Ridge Road, Mayflower, Faulkner County, Arkansas. Plaintiff Morris has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

24. Plaintiffs Robert Mattox and Lola Mattox reside at 58 Snuggs Circle, Faulkner County, Arkansas. Plaintiffs Robert and Lola Mattox have directly experienced damages as a result of the Exxon Pegasus Pipeline failure and seek all damages permitted by Arkansas law.

25. Plaintiff Kathryn Jane Chunn resides at 38 Ledrick Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Chunn has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

26. Plaintiffs Kimla Greene and her minor children, Madison Harris and Kobe Sims reside at 41 Ledrick Circle, Mayflower, Faulkner County, Arkansas. Plaintiffs Greene, Harris and Sims have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

27. Plaintiffs Roger Maynard and Fereshteh Maynard reside at 3055 Sassy Road, Conway, Faulkner County, Arkansas. Plaintiffs Roger and Fereshteh Maynard own property in Mayflower, Faulkner County, Arkansas, including property located at 18 Lake Forest, Mayflower, Faulkner County, Arkansas; Mayflower, Faulkner County, Arkansas; 47 A & B Highway 89 South, Mayflower, Faulkner County, Arkansas; and other areas in Faulkner County, Arkansas. Plaintiffs Roger and Fereshteh Maynard have directly experienced damages as a result of the Exxon Pegasus Pipeline failure and seek all damages permitted by Arkansas law.

28. Plaintiff Dwayne McDougal resides at 48 Snuggs Circle or Northside, Mayflower, Faulkner County, Arkansas. Plaintiff Dwayne McDougal has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

29. Plaintiff Jason McDougal reside at 48 Snuggs Circle or Northside, Mayflower, Faulkner County, Arkansas. Plaintiff Jason McDougal has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

30. Plaintiff Kelly Page resides at 48 Snuggs Circle or Northside, Mayflower, Faulkner County, Arkansas. Plaintiff Page has directly experienced damages as a result of the Exxon Pegasus Pipeline failure and seeks all damages permitted by Arkansas law.

31. Plaintiff Pansy Newell resides at 8 Breva Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Newell has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

32. Plaintiff Ondra Phillips resides at 21 Leisurewood Lane, Maumelle, Pulaski County, Arkansas. Plaintiff Phillips owns property located at 43 Meadowlark Loop, Mayflower, Faulkner County, Arkansas. Plaintiff Phillips has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

33. Plaintiff Margaret Roberts resides at 39 Meadowlark Loop, Mayflower, Faulkner County, Arkansas. Howard Senteney resided at 39 Meadowlark Loop, Mayflower, Faulkner County, Arkansas at the time of the filing of this lawsuit until he passed away on August 8, 2015. This Court has by Court Order, dated December 29, 2015, substituted Margaret Roberts as Special Administratrix for Howard Senteney's claim. Plaintiff's Howard and Margaret Roberts directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

52. Exxon is headquartered in Irving, Dallas County, Texas at 5959 Las Colinas Boulevard, Irving, Texas 75039-2298. Exxon is incorporated in Delaware, and is identified to be found by the Texas Secretary of State at 800 Bell Street, Room 2605, Houston, Harris, County, Texas. Exxon may be served through the Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company, 211 E. 7th Street, Suite 620, Austin, Texas 78701-3218. Exxon publicly promotes and markets itself as the "world's largest publicly traded international oil and gas company." It engages in oil exploration, development, marketing, production, refining, transportation, piping and exportation. It amasses revenues in the hundreds of billions each year and is considered the number one or one of the top revenue earning companies in major financial magazines and reports. Exxon has had previous major oil spills and failures in other parts of the Country and has been fined by governmental agencies.

53. ExxonMobil Pipeline Company, L.P., ExxonMobil Pipeline Company (collectively EMPCO) and Mobil Pipeline Company are companies that upon information and belief own, maintain or operate the Pegasus Pipeline, are directly related to or are affiliated with each other, Exxon and ExxonMobil and have ownership interests in joint interest pipelines and operate proprietary and joint venture distribution terminals in the United States. Upon information and belief, EMPCO is located and headquartered at 800 Bell Street, Houston, Harris County, Texas. Mobil Pipeline Company is an affiliate of ExxonMobil Pipeline Company and operates a facility in Patoka, Illinois where it maintains documents pertaining to the corporate activities. It is also located at 800 Bell Street in Houston, Harris County, Texas. Exxon, EMPCO and Mobil are collectively referred to hereinafter as Defendants.

54. Defendant David Raulston was employed by Separate Defendant ExxonMobil Pipeline Company at the time of the Mayflower Incident as an Operations/Maintenance

34. Plaintiff Darolyn Perkins owns property located at 17 Sunbelt Court, Mayflower, Faulkner County, Arkansas. Plaintiff Perkins has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

35. Plaintiff Jason Thompson resides at 128D Highway 89 South, Mayflower, Faulkner County, Arkansas. Plaintiff Thompson has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

36. Plaintiff Tia Davis resides at 17 Sunbelt Court, Mayflower, Faulkner County, Arkansas. Plaintiff Davis has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

37. Plaintiffs Tim Standish and Ronny Standish reside at 52 Snuggs Circle, Mayflower, Faulkner County, Arkansas. Plaintiffs Tim and Ronny Standish have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

38. Plaintiffs William Washam and Pat Washam reside at 3 Fowler Street, Mayflower, Faulkner County, Arkansas. Plaintiffs William and Pat Washam have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

39. Plaintiffs Cameron Thompson and Kelly Thompson reside at #20 Sports Drive, Mayflower, Faulkner County, Arkansas. The Thompson Plaintiffs have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

40. Plaintiff Shirley Tyus and her minor grandchildren, Lakeen Howard and Andreea Murray reside at 19 Norwood Drive, Mayflower, Faulkner County, Arkansas. Plaintiffs Tyus.

Howard, and Murray have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

41. Plaintiffs Jerry and Connie West reside at 25 Ledrick Circle, Mayflower, Faulkner County, Arkansas. The West Plaintiffs have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

42. Jerry West, Jr. resides at 25 Ledrick Circle, Mayflower, Faulkner County, Arkansas. Jerry West Jr. has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

43. Plaintiffs Van White and Tara White and their minor children, Blaykleigh Snuggs and Victoria White, reside at 33 N. Main Street, Mayflower, Faulkner County, Arkansas. Plaintiffs Van and Tara White and their minor children have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

44. Plaintiff Ralph Van Cleve resides at 116 Hwy. 9 South, Mayflower, Faulkner County, Arkansas. Plaintiff Ralph Van Cleve has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

45. Plaintiffs Ryan A. and Tami L. Hargraves reside at 10 Pasilee, Mayflower, Faulkner County, Arkansas. Plaintiffs Ryan A. and Tami L. Hargraves bring their claim by and through their Bankruptcy Trustee, Randy Rice, as the party in interest, for their bankruptcy, which was filed in United States Bankruptcy Court in the United States District Court, Eastern District of Arkansas, Little Rock Division, Case No. 4:13-bk-13707T, and in their individual capacities, for any pre-petition non-liquidated personal injury claim against the Defendants arising from March 29, 2013, which is abandoned, not claimed by the Bankruptcy trustee, or is not property of the Bankruptcy Estate. Plaintiffs Ryan A. and Tami L. Hargraves have directly

experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

46. Plaintiff Jose Gonzales resides at 64 Snuggs Circle, Mayflower, Faulkner County, Arkansas. Plaintiff Jose Gonzales has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

47. Plaintiffs Patricia Clapper and her minor child Hunter reside at 26 Dam Road, Mayflower, Faulkner County, Arkansas. Plaintiff Clapper has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

48. Plaintiff Marlene Davidson resides at 37 Meadowlark Loop, Mayflower, Faulkner County, Arkansas. Plaintiff Davidson has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

49. Plaintiff Horace Walters and Julia Burchfield reside in Faulkner County, Arkansas. Plaintiff Walters and Burchfield have directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seek all damages permitted by Arkansas law.

50. Plaintiff Marsha Cochran resided at 3 Leona Lane, Mayflower, Faulkner County, Arkansas at the time of the Exxon Pegasus Pipeline failure. Plaintiff Cochran has directly experienced damages as a result of the Exxon Pegasus Pipeline failure, and seeks all damages permitted by Arkansas law.

51. Exxon Mobil Corporation, also known as ExxonMobil® (hereafter "Exxon"), has common proprietary interests, ownership interests, or joint ventures with Separate Defendants ExxonMobil Pipeline Company, Mobil Pipe Line Company and ExxonMobil Pipeline, L.P., and upon information and belief, are involved with the ownership, operation and maintenance (or lack thereof) of the defective and unsafe Pegasus Pipeline.

Technician in Conway, Faulkner County, Arkansas. Mr. Raulston resides at 31 Ironhorse Road, Conway, Faulkner County, Arkansas.

55. At all relevant times alleged herein, Defendants owned, operated and failed to maintain the Pegasus Pipeline, which transports hazardous liquids through the States of Arkansas, Texas, Missouri and Illinois.

III. JURISDICTION AND VENUE

56. This Court has specific and general *in personam* and *in rem* jurisdiction over Exxon. Exxon earns millions (if not billions) in revenue and profits from its economic activities in Arkansas and has real and personal property throughout the State of Arkansas. A substantial part of the wrongdoing alleged in this Complaint took place in Faulkner County, Arkansas, Exxon is authorized to conduct business in the State of Arkansas and Exxon purposefully and systematically avails itself of the oil commodity, transportation and sale markets of the State of Arkansas, which are sufficient bases for this Court to exercise jurisdiction over Exxon under traditional notions of fair play and substantial justice.

57. Venue is proper in Faulkner County, Arkansas, because a substantial part of the events, acts and omissions giving rise to the claims occurred in Faulkner County, Arkansas and a majority of the joined Plaintiffs reside or resided in Faulkner County, Arkansas.

IV. FACTUAL ALLEGATIONS

58. The Defendants are collectively referred to herein as "ExxonMobil" or "Exxon."

59. Defendants own, operate, maintain and repair the Pegasus Pipeline, which transports Wabasca crude oil and Tar Sands with toxins through the State of Arkansas.

60. In 1946, ExxonMobil announced construction of a twenty-inch pipeline from Corsicana, Texas to Patoka, Illinois.

61. The Pegasus Pipeline between Corsicana, Texas and Patoka, Illinois was originally constructed in 1947 and 1948 encompassing 650 miles. At the time the Pegasus Pipeline was constructed and laid the estimated normal life of the line was thirty years.

62. The Pipeline is buried two feet or twenty-four inches underground through the four contiguous states with a distance of 18 miles between isolation valves.

63. The Pegasus Pipeline was manufactured by Youngstown Sheet.

64. The Pegasus Pipeline was originally externally coated with coal tar.

65. It is 20-inch diameter pipeline, with a 0.312" wall thickness that has a 95,000 barrels per day capacity (a barrel of crude oil contains 42 gallons or 159 liters).

66. The Pipeline is an API 5LX-42 pipe and contains both seamless pipe and low frequency electric resistance welded pipe ("ERW").

67. ERW pipe is manufactured by cold-forming a sheet of steel into a cylindrical shape. Current is then passed between the two edges of the steel to heat the steel to a point at which the edges are forced together to form a bond without the use of welding filler material.

68. Today, the entire Pipeline traverses an area from Netherlands, Texas through Arkansas, near Mayflower, north of Little Rock and continues upwards through Northeast Arkansas into Missouri and into Patoka, Illinois (approximately 850 miles).

69. In Arkansas, the Pegasus Pipeline crosses watersheds for 18 drinking water sources that, together, serve approximately 770,000 people in the state. These watersheds include: Red River Crossing, Little River Crossing, Cossatot River Crossing, Saline River Crossing, Little Missouri Crossing, Caddo River Crossing, Ouachita River Crossing, Alum Fork River Crossing, Lake Maumelle, Arkansas River Crossing, Lake Conway Crossing, Little Red

River Crossing, White River Crossing, Strawberry River Crossing, Spring River Crossing, Eleven Point River Crossing.

70. The Pegasus Pipeline from Patoka to Corsicana was operated from a south to north flow direction following its construction in the 1940s.

71. Up until 2002, the Pegasus Pipeline only transported light, sweet crude oil north from Corsicana, Texas to Patoka Illinois.

72. In 2006, in order to maximize profits, the Defendants reversed the Pegasus Pipeline to increase the flow of crude oil southward from Canada to the Gulf Coast. The Defendants desired to transport larger amounts of Canadian crude tar sands, which is more abrasive to the Gulf Coast through the Pegasus Pipeline running through Illinois, Missouri, Arkansas and Texas. This was the first time that a pipeline company had attempted to reverse the flow of its pipeline when it was in a deficient and antiquated condition.

73. The President of ExxonMobil, Mike Tudor, stated that the Pegasus Pipeline Reversal Project was "an excellent example of our efforts to maximize the value of our pipeline and terminal assets."

74. ExxonMobil's decision to change the direction of flow of the Pegasus Pipeline increased the hydramlic and stress demands on the pipeline that was already prone to failure.

75. ExxonMobil's Pegasus Pipeline Reversal Project was completed in 2006, and the pipeline began transporting Wabasca Heavy Crude south from Patoka, Illinois to Corsicana, Texas. Wabasca Heavy Crude, a Canadian tar sands, comes from the Wabiskaw Sandstone formation (or similar formation) in the Pelican Lake Oilfield in Canada. Wabasca Heavy Crude is often referred to as bitumen.

76. Bitumen is different from conventional crude oil; it contains higher sulfur, is a heavier substance, and has a greater gravity and is thus more resistant to flow in the pipeline, compared to the light, sweet crude oil the pipeline was designed to transport.

77. In order to be transported long distances, bitumen must be diluted with lighter hydrocarbons. This diluted, hazardous, liquid material is referred to as "dilbit." Dilbit is toxic and dangerous to humans. Dilbit can also enhance the risk of pipeline failures and can cause failures in pipelines.

78. The Pegasus Pipeline from 2006 through March 29, 2013, was transporting dilbit from Canada.

79. In 2008, Exxon publicly disclosed Exxon's intent of replacing the Pegasus Pipeline with a new, larger, state-of-the-art pipeline called the Texas Access Pipeline. The Texas Access Pipeline proposed a 768-mile, 30-inch diameter pipeline from Patoka, Illinois to Nederland, Texas to be installed on Class Members' property. The Texas Access Pipeline was planned to have the capacity to transport 445,000 barrels of petroleum substance per day. The proposed cost of the Texas Access Pipeline was \$2.6 billion.

80. The Texas Access Pipeline was a joint venture with Enbridge.

81. In 2009, instead of installing the expensive Texas Access Pipeline, Defendants increased the capacity of the Pipeline by 50%, from 65,000 barrels a day to approximately 100,000 barrels a day, putting further stresses on the pipeline, including the reactivation of several pump stations along the pipeline. This reactivation and enhancement was to enable the transportation of additional Canadian crude from the Midwest to Gulf Coast refineries.

82. The transportation of Canadian tar sands imposes greater risks to pipeline integrity, including greater corrosive effects on pipelines, which are defective and unsafe and

posed enhanced risks to people and property in close proximity to the Pipeline, prior to March 20, 2013.

83. It is known in the oil and gas industry that a change in the direction of oil flow in a pipeline can affect the hydraulic and stress demands on the pipeline and the abrasive quality of the hydrocarbon product can increase corrosion and deteriorate the quality of the pipe.

84. The Pegasus Pipeline was and has not been properly and adequately inspected or maintained to ensure the safe transport of crude oil and/or tar sands through the entire route of the Pegasus Pipeline traversing through Arkansas.

85. At the time of the rupture, the Pipeline was in an unsafe and deteriorated condition in Faulkner County, Arkansas. Reversal of the flow and an increase in crude oil capacity increased the hydraulic and stress demands on the Pipeline and weakened the Pipeline. This activity to increase profits increased the already unsafe and unreasonably dangerous condition, rendering major disaster, pipeline fracture, and rupture inevitable.

86. Further, the oil and gas industry has created internal rules and policies pertaining to the maintenance, inspection and integrity management of hazardous, liquid pipelines, such as the Pegasus Pipeline. These duties to maintain a safe pipeline are non-delegable and require the Defendants to ensure the entire pipeline is safe for transportation of crude oil and toxins.

87. At the time the Pegasus pipeline was installed and laid, it was common knowledge in the industry that proper maintenance was vital to operating a pipeline efficiently.

88. ERW Pipelines manufactured before the 1970's are known in the industry to be susceptible to selective seam corrosion, hook cracks, and inadequate bonding of the seams.

89. Beginning in the 1960s, the Department of Transportation began noting seam failures in ERW Pipe. From 1968-1988, there had been 172 documented ERW seam failures in

hazardous liquid pipelines during 1968-1988 with a large majority of those failures concerning pipe constructed in the 1940s and 1950s.

90. In 1970, the low frequency process that was used to manufacture the Pegasus Pipeline was no longer used to manufacture pipelines.

91. By 1988, it was well established, that ERW pipe manufactured before 1970 contained a significant number of weld defects as a consequence of the use of a subsequently discontinued low-frequency ERW technique, and continued use of this type of pipe initiated fractures. Further, fatigue due to repeated pressure changes also lead to growth of weld defects in pipelines.

92. Because of the potentially serious nature of ERW seam failures, on January 28, 1988, Richard L. Beam, Director, Office of Pipeline Safety sent a Pipeline Safety Alert Notice notifying pipeline operators of findings relative to factors contributing to operational failures of ERW pipelines manufactured prior to the 1970s and to reevaluate the safety of continued operation of all pre-1970 ERW pipelines. The Safety Alert Notice notified pipeline companies, including Exxon, that all pre-1970 ERW Pipe was deemed susceptible to longitudinal seam failures, unless current engineering analysis showed otherwise.

93. Pipeline operators, who operated pre-1970 ERW pipelines, were notified to review their leak, failure and test history.

94. Pipeline operators who operate pre-1970 ERW pipelines were notified to review their corrosion control records to ensure that adequate cathodic protection (for external control) was and is being provided.

95. Despite industry notice of the susceptibility to seam failures for ERW pipe manufactured before 1970, ExxonMobil did not include seam failures as a risk factor for the Pegasus Pipeline System during their operation and maintenance of the pipeline.

96. ExxonMobil did not utilize inspection tools capable of determining the full spectrum of seam issues known to exist in the Pegasus Pipeline; therefore the in-line inspections performed subsequent to hydrostatic tests did not detect the defects that existed in the Pegasus Pipeline.

97. ExxonMobil failed to consider the Youngstown, Pre-1970 LF ERW pipe in the Pegasus Pipeline as susceptible to seam failure during their operation and maintenance of the pipeline.

98. ExxonMobil failed to have an acceptable engineering analysis demonstrating the Pegasus Pipeline could operate without failure upon reversal of flow of Tar Sands and at increased capacity.

99. ExxonMobil failed to take prompt action to address all anomalous conditions on the Pegasus Pipeline. ExxonMobil failed to disclose discovery of conditions needing immediate repair from information received in testing reports and failed to take prompt action to address the defective condition of the pipeline and the pre-1970 ERW pipes' susceptibility to seam failures.

100. ExxonMobil did not identify the need for immediate repairs on the Pegasus Pipeline system and did not make repairs in an adequate time frame.

101. ExxonMobil's failure to discover defective conditions of the pipeline and to make appropriate repairs led to a hazardous situation on the entire Pegasus Pipeline.

102. ExxonMobil avoided characterizing the true risk of operating the pre-1970 manufactured ERW Pegasus Pipeline and ExxonMobil personnel ignored shortcomings of

ExxonMobil's maintenance of the Pegasus Pipeline, resulting in numerous failures of the Pegasus Pipeline.

103. ExxonMobil failed to identify the Pegasus Pipeline as susceptible to seam failure and to carry out appropriate maintenance actions considering the characteristics of the pre-1970 manufactured ERW Pegasus Pipeline.

104. ERW seam failures are not unique to the Pegasus Pipeline. ExxonMobil has experienced other in service failures on other pipeline systems under its control related to seam defects of pre-1970 manufactured ERW pipelines.

105. Since at least 1970, the Pegasus Pipeline was not safely maintained and experienced ruptures in Bragg, Texas in 1990, Corsicana, Texas, in 1987, Hot Springs, Arkansas, in 1995 and Doniphan, Missouri in 2013.

106. In 1984, ExxonMobil experienced an "in-service leak" of the Pegasus Pipeline.

107. Despite the Pegasus Pipeline failures, industry warnings of pre-1970 ERW pipe, continued operation beyond the life expectancy of the pipe and the seam failures identified in testing of the pipe, ExxonMobil continued to operate the Pegasus Pipeline up until 2002, when the pipeline was idled and no longer used for a period of four years.

108. During 2005 and 2006, ExxonMobil performed a baseline assessment of the Pegasus Pipeline by performing hydrostatic testing of the Pegasus Pipeline.

109. ExxonMobil experienced multiple hydrostatic test failures on the Pegasus Pipeline as a result of ERW long seam failures during hydrotesting in 1991 and 2005-2006.

110. During the 2005-2006 hydrostatic testing, at least eleven (11) failures occurred due to ERW seam issues related to hook cracks and other manufacturing defects.

111. Previous hydrostatic testing in 1991 also resulted in seam failures due to ERW seam issues related to hook cracks and other manufacturing defects.

112. Specifically, ExxonMobil's testing revealed cracks in the pipeline due to intermittent tearing and "corrosion of the metallurgically unsound seam."

113. The failures occurring during the hydrostatic testing in 2005 and 2006, were at lower pressures than the failures in 1991.

114. ExxonMobil did not perform follow-up testing of the Pegasus Pipeline in 2011 to increase their revenue and profit.

115. ExxonMobil failed to treat these seam failures, identified during testing, as an indication of the susceptibility of seam failure, and failed to identify this as a risk in the operation and maintenance of the Pegasus Pipeline.

116. ExxonMobil failed to consider all the risk factors and analysis for assessing that the Pegasus Pipeline was susceptible to major seam failures prior to March 29, 2013.

117. The pre-1970 manufacturing process for ERW pipe, used to manufacture the Pegasus Pipeline, resulted in manufacturing defects in the pipe, including weak seam connections making the pipe susceptible to hook cracks and seam failures all of which necessitated maintenance and repair efforts by Exxon, which were disregarded and ignored by Exxon because it wanted to maximize profit through its pipeline, which it knew was bad and would harm people, air, property and water if the pipeline failed.

118. Exxon's negligent operation and improper maintenance of the Pegasus Pipeline and conscious disregard of known deficiencies and risks associated with bad, antiquated pipeline and infrastructure, resulted in the Mayflower Oil Spill on March 29, 2013.

119. On or around March 29, 2013, a major, catastrophic break occurred in the Pipeline near Mayflower in Faulkner County, Arkansas, near mile-post 315, causing several thousand barrels of oil and contaminant (in excess of 27,000 barrels of oil and contaminant) to be released above and below ground into the nearby community adjacent to the Pipeline, including Dawson Cove, a part of Lake Conway, and Lake Conway.

120. Exxon is required to "immediately" report oil pipeline spills to the National Response Center.

121. At approximately 1:15 p.m. on March 29, 2013, a drop in the Pegasus Pipeline pressure was discovered according to Exxon's report to the National Response Center.

122. Exxon failed to report the Mayflower oil spill until 4:06 p.m., nearly three hours after the drop in pressure. Exxon failed to act because it did not immediately report the problem to the National Response Center so local officials in Arkansas could be notified and mobilize to Mayflower. Local citizens living in Mayflower called 911, reported the oil rupture and the fact that crude oil was leaking through Mayflower. Local personnel and the Arkansas Department of Environmental Quality ("ADEQ") then responded to the local calls and made efforts to evacuate citizens while Defendants were still deciding what to do with their information about the Pipeline failure and how to suppress the truth from the public, including Plaintiffs and class members affected by the oil spill.

123. The timeline of events reveals that Exxon did not immediately report the event as required by law, despite having knowledge of an incident.

Timeline

Friday March 29, 2013

- 1:15 PM Exxon discovers a drop in pressure in its Pegasus pipeline and Exxon's field

regulatory specialist reports to the National Response Center (NRC).

- 2:37 PM – Exxon representation of time the oil spill was detected on their web site.
- 2:43 PM – First 911 call from resident, Jennifer Dement of 50 Starlite Road, that “a pipe busted and oil is spilling throughout neighborhood.”
- 3:02 PM – 911 contacts ADEM who “is going to call all agencies needed.”
- 3:03 PM – ADEQ notifies Exxon. Exxon responds “aware of a line pressure drop and have isolated the line.”
- 3:09 PM – ADEQ updated by Exxon that Exxon’s “crew will be on scene in about 30 minutes from Jessieville, Arkansas.”
- 3:19 PM – Faulkner Co. Sheriff reports “Exxon Mobil contacted and enroute / 30 minutes eta.”
- 3:43 PM – Exxon Mobil is on scene.
- 4:06 PM – Exxon first reports to NRC (3 hours after discovery) by its field regulatory specialist Larry Hawthorne that “an unknown amount of Crude Oil has been discharged.”
- 6:04 PM – Thad Massengale, Exxon Pipeline Safety Advisor, reports to NRC incident occurs at 3:20. “There was a release of an unknown amount of crude oil”; “cause unknown”, “amount unknown” but release duration three (3) hours.
- 10:30 PM – EPA arrives on scene

Saturday March 30, 2013

- 3:25 AM – Thad Massengale calls NRC again and “corrects” drop in pressure discovery time from 3:20PM to 1:15PM.

Sunday March 31, 2013

- 3:00 AM – “Mark” from Exxon “seemed to think” that the pipeline stopped leaking on Sunday March 31, 2013 at 3:00 AM. Dean VanDerhoff of ADEQ observed that the Pipeline did not stop leaking until 3:00 AM on March 31, 2013.

124. The above timeline reveals that ExxonMobil, despite learning of the drop in pressure in the Pegasus Pipeline, as early as 1:15 PM, did not immediately report the incident to the National Response Center as required by law. Instead, ExxonMobil waited approximately three (3) hours until its employees were on the scene, reporting at 4:06 p.m.

125. Once the Pipeline failed, the Canadian Tar Sands with toxins spread quickly through residents and affected a large area around Mayflower, including the Plaintiffs' and class members' property. The Tar Sands migrated into a storm drain and by 3:09 p.m. was migrating toward Lake Conway. *Id.* The Canadian Tar Sands released from the Pegasus Pipeline emitted dangerous and poisonous toxins into the air contaminating the air quality, making it difficult to breathe and violating air quality standards for residents in the community forcing residents to evacuate their homes. Local emergency personnel began evacuating homes because the release of Tar Sands was harmful to people and their real property. *Id.* The hazardous Tar Sands substance flowed and migrated into the Northwoods Subdivision along North Starlite Road into a bar ditch adjacent to a Union Pacific Railroad line, into a creek and into a tributary to a cove of Lake Conway, which is also a tributary to the Arkansas River. Poisonous hydrogen sulfide released into the air and polluted houses and real property in the Mayflower, including Lake Conway, its coves and inlets. The Tar Sands and toxic chemicals physically entered contaminated and polluted Lake Conway, exhibiting residue within Lake Conway, and contaminated, polluted and migrated onto homes and real property surrounding Lake Conway, its coves and inlets, including Plaintiffs' and putative class members' real property.

126. The Pipeline Pumps were not shut down for well over 98 minutes, contrary to Exxon's information provided to the public that they were shut down in 16 minutes. The full volume of heavy Tar Sands remained in the Pipeline and the Tar Sands flow to the Pipeline was not shut off until several hours later. The Pipeline continued leaking for two days, contrary to information publicly provided by the Defendants to the public and media. *Id.* Defendant suppressed material facts about the Tar Sands spill, omitted significant material information provided to the public, and failed to provide full disclosure of relevant and material information.

Defendants' actions are consistent with and part of their corporate practice in Arkansas of not reporting prior problems with the Pipeline, including prior oil spills in Arkansas and other states where the ExxonMobil Pipeline runs underground.

127. The release of the oil affected a large area around Mayflower, including the Plaintiffs' property. The crude oil emitted toxins into the air contaminating the air quality for residents in the community.

128. The release of the oil contaminated real property, migrated into water sources and impacted air quality for citizens located in Mayflower, including the Plaintiffs who experienced personal and property injury.

129. Data provided by Exxon indicates the hazardous material being transported through the Mayflower area, includes, but is not limited to: Benzene, Cyclohexane, Ethyl Benzene, Hydrogen Sulfide, N-Hexane, Naphthalene, Polynuclear Aromatic Hydrocarbons, Sulfur, Toluene and Xylenes. The hazardous materials being transported through Arkansas and which Mayflower citizens, including Plaintiffs, were exposed to are known to pose serious health effects, including lung damage if aspirated, skin cancer, irritant to eyes, mucous membranes and lungs, nausea, unconsciousness, loss of coordination, central nervous system depression, narcosis and death. Benzene is associated with cancer (acute myeloid leukemia and myelodysplastic syndrome).

130. Hydrogen sulfide is the chemical compound with the formula H_2S . It is a colorless gas with the characteristic foul odor of rotten eggs. It is heavier than air, very poisonous, corrosive, toxic, flammable and explosive. Hydrogen sulfide often results from bacterial breakdown of organic matter in the absence of oxygen. It is considered a broad-spectrum poison, meaning it can poison several different systems in the body, although the

nervous system is the most affected. The toxicity of hydrogen sulfide is similar to hydrogen cyanide. The hazardous crude oil substance also contains polycyclic aromatic compounds (PAC's), which may cause cancer to skin, lung and other sites on the body and are toxic. Moreover, the crude oil and tar sands mixture is also highly flammable, which can release vapors that readily form flammable mixtures and can flash or explode if ignited or can ignite by accumulation of static charges.

131. The rupture of the Pegasus Pipeline was in the northern section of the Pegasus Pipeline. After the rupture, ExxonMobil sent the fractured segment of the Pegasus Pipeline to Hurst Labs in Texas for an "independent" analysis.

132. The fracture origin area contained seven hook cracks in length from .250 to 3 inches. The largest hook crack in the fracture origin area was 3.150 inches deep. There were 4000-plus anomalies in the fracture origin area (dents, bad welds, corrosion -- in places, the depth of the anomaly was up to 70% of the 5/16-inch pipe thickness).

133. Hurst Labs has a long history of affiliation with ExxonMobil. Hurst Labs has served as consultant and analyst for ExxonMobil on many prior occasions. Hurst Labs was not an independent analyst in the evaluation of the cause of the Pegasus Pipeline failure resulting in the Mayflower Oil Spill.

134. Before the Hurst report was released to the public, ExxonMobil was given a draft of the report and allowed to make edits that would be incorporated into the final Hurst report released to the public. Exxon made edits favorable to its perception as pipeline operator.

135. The original Hurst Report also noted that the "fracture, which originated during service, resulted in the leakage of the crude oil."

136. The original Hurst report also noted there was no construction or digging, localized flooding or other ground movements reported at the failure location.

137. The original Hurst Report also included a detailed section on Pipe Manufacturing Process, referring to the pre-1970 ERW pipe manufacturing process.

138. Significantly, the original Hurst Report did not include the conclusion that the weakened ERW seam was caused primarily by the presence of original manufacturing defects.

139. The original Hurst report concluded that the hook cracks in the Pegasus Pipeline were present in the seam of the pipe for an unknown period of time prior to the failure.

140. Despite its substantial edits to the Hurst Metallurgical Report, ExxonMobil communicated to the public that an "independent laboratory concluded that the root cause of the spill was original manufacture defects."

141. The environmental footprint of the Pegasus Pipeline for personal injury damages, actual damages, special damages, consequential damages, and all other damages permitted by Arkansas law, extends through the Mayflower community and Lake Conway communities. Defendants' knowing, reckless willful and wanton corporate actions were deliberately and purposefully calculated, directed toward the Mayflower community and Lake Conway communities where Defendants knew or should have known in the light of surrounding circumstances that their conduct and behavior in recklessly operating the Pegasus Pipeline would cause harm, distress and damage to the public and people around Mayflower, Arkansas.

142. The hazardous and toxic nature of the heavy Canadian crude oil and liquid hydrocarbons diluting the tar sands resulted in direct air quality contamination after the oil spill, personal and real property and water contamination.

143. Defendants transported hazardous liquid through the State of Arkansas, including numerous navigable waterways. Defendants have mandatory inspection and safety requirements for operating a pipeline carrying hazardous liquid, such as the liquid contained in the Pegasus Pipeline, including the creation of an overall pipeline operating and safety plan, integrity management and inspection requirements.

144. Defendants' systemic corporate breakdown, failure to predict consequences and take appropriate remedial and corrective action before and after the oil spill in Mayflower, Arkansas, resulted in personal injuries and property damage to the Plaintiffs in this lawsuit.

145. At all relevant times, Defendants suppressed, omitted and concealed information from Plaintiffs and other property owners and residents by falsely assuring that air quality, water quality, property values and overall personal health were and are safe from hazardous contaminants from the unsafe and defective Pipeline, which runs throughout the State of Arkansas.

V. TOLLING OF THE STATUTE OF LIMITATIONS

146. Throughout the time period relevant to this action, Defendants affirmatively concealed from Plaintiffs the defects with the Pegasus Pipeline described herein and its unsafe condition. Defendants kept Plaintiffs ignorant of vital information essential to the pursuit of their claims, and as a result, Plaintiffs could not have discovered the defect, even upon reasonable exercise of diligence.

147. Defendants were aware of the problem with their Pipeline and continued to utilize the Pipeline with increased capacity under circumstances where they knew or should have known that the pipeline was defective and unsafe in its condition to transport Canadian crude oil southward from Patoka, Illinois to the Gulf Coast.

VII. CLAIMS FOR RELIEF

A. Strict (Absolute) Liability

148. Plaintiffs re-allege the preceding paragraphs and incorporate them by reference herein as though stated word-for-word.

149. Defendants are strictly liable for ultra-hazardous activities or unreasonably dangerous conditions, which proximately cause injuries to people.

150. Pipelines carrying Canadian Tar Sands, or other dangerous, harmful and explosive substances such as tar sands with dangerous toxins under high pressure located in close proximity to residential homes and residential drinking water resources are an uncommon usage containing known hazards to people and property.

151. At all relevant times alleged herein, Defendants owned and failed to inspect and maintain their unsafe and defective Pipeline, which was transporting crude oil and other substances such as Canadian tar sands (with toxins) from Patoka, Illinois to Nederland, Texas and through a large section of the State of Arkansas.

152. Defendants' unsafe and defective pipeline and wrongful common course of corporate policy, pattern, practice and conduct, which includes, but is not limited to, failure to maintain, inspect, evaluate, operate, and analyze the defective pipeline directly and proximately caused and resulted in damages to the Plaintiffs.

153. Plaintiffs respectfully pray for damages, which were a direct and proximate cause and result of Defendants' strict (absolute) liability for each Plaintiff as permitted by Arkansas law.

B. Nuisance

154. Plaintiffs re-allege the preceding paragraphs and incorporate them by reference herein as though stated word-for-word.

155. Nuisance is an unreasonable interference or invasion of one's person or real property, which interferes with the person's life and use and enjoyment of the real property.

156. At all relevant times alleged herein, Defendants owned and failed to inspect and maintain their defective and unsafe Pipeline, which was transporting crude oil and other substances such as tar sands with toxins from Patoka, Illinois to Nederland, Texas and through a large section of the State of Arkansas.

157. Defendants' unsafe and defective pipeline and wrongful common course of corporate policy, pattern, practice and conduct, which includes, but is not limited to, failing to maintain, inspect, evaluate, operate and analyze the defective pipeline has directly and permanently interfered with the environment and Plaintiffs' use, enjoyment and value of their homes and real property.

158. Defendants' unsafe and defective pipeline and common course of corporate policy, pattern, practice and conduct, which includes, but is not limited to, failure to maintain, inspect, evaluate, operate and analyze the defective pipeline has resulted and directly and proximately caused and resulted in damages to the Plaintiffs.

159. Plaintiffs respectfully pray for damages, which were a direct and proximate cause and result of Defendants' nuisance as permitted by Arkansas law.

C. Negligence

160. Plaintiffs re-allege the preceding paragraphs and incorporate them by reference herein as though stated word-for-word.

161. Defendants transport hazardous liquid through the Pegasus Pipeline, which runs through the State of Arkansas, including numerous, navigable waterways and protected water resources. Defendants, pursuant to Arkansas common law, their actions and course of conduct, and oil and gas industry standards have a non-delegable duty to maintain, inspect and manage the integrity of the Pegasus Pipeline to ensure it is safe throughout the entire course of the pipeline. The Pegasus Pipeline is maintained in a defective, unsafe condition under a predominating, common course of corporate policy, pattern, practice and conduct which includes but is not limited to the same or similar inspection, maintenance, evaluation, operation and analysis.

162. It is foreseeable that the Pegasus Pipeline would rupture and leak, *inter alia*, as the ERW pipeline was manufactured prior to 1970, and the government notified oil and gas companies in the industry of the problems with such pipelines for catastrophic leaks in the 1980's. Further, Exxon had a problem near Corsicana, Texas with the pipeline involving a major failure and crude oil leak, fire and property damage in 1987.

163. Defendants' unsafe and defective pipeline and common course of corporate policy, pattern, practice and conduct, which includes, but is not limited to, failure to maintain, inspect, evaluate, operate and analyze the defective pipeline was a breach of its non-delegable duty to maintain a safe pipeline, has resulted in and directly and proximately caused damages to the Plaintiffs.

164. Plaintiffs respectfully pray for damages, which were a direct and proximate cause and result of Defendants' negligence as permitted by Arkansas law.

D. Punitive Damages

165. Plaintiffs re-allege the preceding paragraphs and incorporate them by reference herein as though stated word-for-word.

166. The Defendants knew that the Pegasus Pipeline was made with pre-1970 ERW pipe, there was a high susceptibility of pre-1970 ERW pipe seam failures, and the Pipeline's transported material contained dangerous toxins. Despite this knowledge, the Defendants acted recklessly by failing to maintain, inspect, evaluate, operate, and analyze the defective Pipeline.

167. The Defendants intentionally misrepresented the risks of the Pipeline and the cause of the Mayflower oil spill to the Plaintiffs and other members of the public and intentionally failed to immediately report the Mayflower oil spill.

168. Defendants' knowledge, affirmative failures to act, and affirmative, intentional misrepresentations described in the foregoing paragraphs, constitute deliberate indifference and conscious disregard for the safety of Faulkner County residents. The Defendants knew or ought to have known in the light of the surrounding circumstances that their conduct would naturally and probably result in injury or damage and that they continued such conduct with malice or in reckless disregard of the consequences from which malice may be inferred. The Plaintiffs therefore pray for an assessment of punitive damages in an amount sufficient to punish ExxonMobil and to deter others from like conduct.

VIII. DEMAND FOR JURY TRIAL

169. Pursuant to Ark. R. Civ. P. 38, Ark. Const. Art. 2, § 7, Ark. Code Ann. § 16-64-103, Plaintiffs hereby demand a trial by jury of all issues of fact.

170. Plaintiffs reserve the right to further amend their Third Amended Complaint in accordance with the proof, as further discovery is obtained, to correct or amend any allegations and as permitted by the Arkansas Rules of Civil Procedure.

IX. DEMAND AND PRAYER

171. Plaintiffs respectfully pray this Court enter judgment against Defendants as

follows:

- (a) For compensatory, actual, medical, special and consequential damages in an amount in excess of the amount required for federal diversity jurisdiction;
- (b) For consequential, medical and special damages, including medical monitoring;
- (c) For personal and real property damages, whether temporary or permanent, as permitted by Arkansas law;
- (d) For diminishment of value or waste of property, including timber, crops or other land, or, alternatively, loss of positive appreciation of property value as permitted by Arkansas law;
- (e) For change of fair market value as permitted by Arkansas law;
- (f) For damages impact to real and personal property, including loss of insurability or collateralization, as permitted by Arkansas law;
- (g) For aggravation of prior health and mental conditions and past, present and future impact and harm to the physical and mental well-being of Plaintiffs;
- (h) For reasonable costs and expenses of any necessary help or assistance in the home or for enjoying property after March 29, 2013;
- (i) For loss of peace, comfort, use and quiet enjoyment of property;

- (j) For physical disturbance, interference and intrusion, air and noise pollution;
- (k) For loss of enjoyment of life, hedonic damages, anxiety, distress and emotional anguish as permitted by Arkansas law;
- (l) For reimbursement of actual and real costs and expenses incurred, including, but not limited to relocation costs, travel costs, rental costs, replacement of property costs and all other costs and expenses incurred as a result of the March 29, 2013 Pegasus Pipeline rupture;
- (m) For all other restitution and damages permitted by Arkansas law;
- (n) For double or treble damages as permitted by Arkansas law;
- (o) For punitive damages;
- (p) For pre-judgment interest and post-judgment interest at the maximum rate allowed by law;
- (q) For costs, expenses and fees, including expert fees;
- (r) For attorney's fees as permitted by law; and
- (s) For all other relief deemed, equitable, appropriate and just.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Rob Pointer, the undersigned, hereby certify that a true and correct copy of the foregoing pleading is being served upon the following counsel of record:

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On this 28th day of March, 2016.

/s/ Rob Pointer
W. Rob Pointer